

**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION  
OFFICIAL MEETING MINUTES  
June 15, 2020**

- The Public Facility Corporation met in session at 10:00a.m, via Zoom
- The meeting was called to order by Councilwoman Viagran and the roll was called by Maria Bradley.

**PRESENT: Rebecca Viagran, Roberto Treviño, Dr. Adriana Rocha Garcia, Shirley Gonzales  
and John Courage**

**ABSENT:**

**Staff/Visitors Present:**

Pedro Alanis- Interim Executive Director San Antonio Housing Trust Finance Corporation; Nicole Collazo- Assistant Director San Antonio Housing Trust Finance Corporation; JD Hernandez – Asset Manager San Antonio Housing Trust Finance Corporation; Sharon Jennings-Contract Officer San Antonio Housing Trust Finance Corporation; Maria Bradley - Administrative Assistant, San Antonio Housing Trust Finance Corporation; Kip Hamilton- American south Real Estate Fund; Edward Mungia- D4; Kent Peter- American South Real Estate Fund; Basil Koutsogeorgas-Provident Realty Advisors; Allison Shae- NHSD; Ben Olivo- San Antonio Heron; Barbara Hawkins- George Gervin Youth Center; Brad Fisher- Gardner Capital; Robert Wilson- Sanchez & Wilson PLLC; James Plummer- Bracewell LLP; Derek Roberts-D9; Summer Greathouse-Bracewell LLC

**1. Approval of minutes-**

**MINUTES COMMISSION ACTION: The motion was made by Councilwoman Dr. Adriana Rocha and seconded by Councilman Roberto Treviño to approve the minutes from April 28, 2020.**

**AYES: 5**

**NAYS: 0**

**ABSTAIN: 0**

**The MOTION CARRIED.**

**2. PUBLIC COMMENT-  
NONE.**

- 3. Resolution authorizing the West End at Frio Lofts transaction, including the execution of all documentation necessary to carry out the transaction; authorizing the purchase of the land for the transaction and the lease of such land for the transaction; and authorizing the acquisition of the membership interest in SAHT West End on Frio, LLC and authorizing the financing for such transaction; and authorizing San Antonio Housing Trust Public Facility Corporation to enter into a joint venture agreement to serve as the general contractor; and other matters in connection therewith.**

Pete Alanis briefed on the new construction project that is a 24-unit multifamily new construction project located in Council District 5. It is South of UTSA downtown. Terramark is looking for affordable market structure through a 75-year lease with the San Antonio Housing Trust Public Facility Corporation to develop a new \$4.3 million project. This project will provide 12 market rate units, 2 units at or below 80% AMI and 10 units at or below 50% AMI. The total project

costs are \$4,344,000 with a bank loan of approximately \$3,175,000 and opportunity zone equity of about \$600,000. The City is also providing about \$569,000 in both land equity contribution to the project. Staff has negotiated a reduction in the typical PFC terms called "PFC-Lite". The origination fee at closing will be reduced to \$70,000 and will take \$100,000 in an Administrative transaction fee anticipated in year 10, plus 13% of sale distribution proceeds. Pete recommends the board approve the attached resolution authorizing The West End Frio transaction.

**COMMISSION ACTION:**

The motion was made by Councilwoman Gonzales and seconded by Councilman Roberto Treviño for the approval of the execution of all documentation with West End at Frio Lofts.

**AYES: 5**

**NAYS: 0**

**ABSTAIN:**

**The MOTION CARRIED.**

4. **Consideration and possible action to approve a Resolution authorizing the Assistant Secretary to execute a Memorandum of Understanding with Gardner Capital and the George Gervin Youth Center, Inc in connection with the Echo East Apartments, a new 192-unit 4% Low income Housing Tax Credit multi-family project, located at 301 Spriggdale in Council District 2.**

Pete Alanis stated on December 10, 2019 the SAHTPFC induced the Echo East project. The \$20,000,000 million inducement was approved. The \$38 million project is being financed with a 4% LIHTC project with a HUD 221 (d)(4) loan. The City of San Antonio is providing a land contribution valued at \$450,000 through an amended Chapter 380 Agreement. Since the PFC is working with a nonprofit entity the developer fee is adjusted down to 15% total developer fee. This project would include 18 units at 30% AMI, 20 units at 40% AMI, 36 units at 50% AMI, and 118 units at 70% AMI.

All Council Members are pleased and look forward to the completion of the project.

**COMMISSION ACTION:**

The motion was made by Councilman Courage and seconded by Councilwoman Dr. Rocha Garcia for approval the Resolution executing the MOU.

**AYES: 5**

**NAYS: 0**

**ABSTAIN: 0**

**The MOTION CARRIED.**

5. **Consideration and possible action approving a revised Resolution authorizing the Assistant Secretary to execute a memorandum of Understanding with Integrated Realty Group in connection with the Preserve at Billy Mitchell Village, a 384-unit Historic Tax Credit acquisition and rehabilitation multi-family project, located at 402 Gilmore Ave in Council District 5.**

Pete Alanis announced that on January 22<sup>nd</sup> the PFC board approved an Inducement Resolution and a non-binding MOU for the acquisition of the Preserve at the Port Apartments. TDHA elected not to move forward with the Tax Credit application due to the Rehabilitation project being in proximity to a low performing school per the TDHCA policy.

The Edgewood Superintendent has plans to improve making outstanding attempt to turn the schools around. Edgewood is initiating an Innovation plan which includes conversion of Winston Elementary into a Steam Academy. The PFC renegotiated the terms with a revised financing structure to allow the project to move forward. The project structured \$54 million project will be financed with \$11 million in Historic Tax Credits, \$7.9 million in C-PACE financing and \$37 million in combination of tax exempt and taxable private placement bond debt. The project will provide 384 rehabilitated units: 19 units at 30% AMI; 58 units at 50% AMI; 307 units at 70%AMI. The PFC will be the general partner for the tax credit partnership receiving 40% of the total developer fee and 40% of Net Cash Flow instead of 50% Cash Flow.

The developer will not increase rent for two years for the existing tenants. The developer will fund a \$500,000 supplemental rental fund to offset the difference in rent cost.

**COMMISSION ACTION:**

The motion was made by Councilwoman Gonzales and seconded by Councilwoman Dr. Rocha Garcia to approval of the revised Resolution authorized MOU with Preserve Billy Mitchell Village.

**AYES: 5**

**NAYS: 0**

**ABSTAIN:**

**The MOTION CARRIED.**

6. **Consideration and possible action to approve a Resolution authorizing the Assistant Secretary to execute documents for a \$3,500,000 loan from American South Real Estate Fund, LP and a seller loan of \$4,732,500 in connection with the Friedrich Lofts Apartments, a new 347-unit mixed income affordable/market PFC structure in partnership with Provident Realty, located at 1617 East Commerce in Council District 2 and ratifying the execution of a Term sheet in connection therewith.**

Pete stated they were working with Provident Realty Advisors. The Friedrich is a 349-unit mixed income market and is in Council District 2. The project was previously approved by the PFC board in 2018 and then re-approved on January 22,2020. Fifty percent of the 349 units in the project will be set aside for tenants whose income is less than 80% AMI. Another 14 of the units will be set aside for tenants whose income is less than 60% AMI. For the project to move forward we need to be able to complete environmental assessment in areas that need to be demolished.

Approve an interim step where the PFC acquires the property will get \$350,000 fee at the land closing to the Public Facility Corporation.

Jim Plummer explained that they are going this format that if you go to HUD with a project that has an environmental issue then you become a federal environmental site instead of a state clean up site. It is important to clean up the property up before going to HUD for financing.

Councilwoman Viagran asked who is responsible for the demolition of the property. Pete replied that the demolition is being paid by the development team. There is a \$1.7 million TIRZ grant that will reimburse them, but he did clarify the TIRZ grant can be used for any eligible costs for the project.

**COMMISSION ACTION:**

The motion was made by Councilwoman Gonzales and seconded by Councilwoman Dr. Rocha Garcia to approving the resolution subject to Councilwoman Sullivan's approval.

**AYES: 5**

**NAYS: 0**

**ABSTAIN:**

**The MOTION CARRIED.**

7. **Assistant Secretary's Report- A briefing on financials, progress of projects or grant expenditures, personnel matters and other activities which do not require Board action.**

Pete wanted to reports the development partners completed construction on the Stella, St. Johns Seminary, Salado at Red Berry and the Brookwood apartments in July. Pete is recommending placing an RFQ for Asset Management and Underwriting Consultant as more projects are being developed. The SAHT Personnel Committee members will meet on June 19<sup>th</sup> to discuss and formalize the recommendation and on July 1<sup>st</sup> the RFQ will be issued.

**NO ACTION NEEDED.**

Councilwoman Viagran adjourned the meeting. There being no further business, the meeting adjourned at 11:11 a.m.